

The U.S. Economy Experienced a Record Rebound During President Biden's First Year in Office

The U.S. economy improved more during President Joe Biden's first year in office than in the first 12 months of [any other president](#) in the past 50 years. Job growth, economic growth, retail sales and business creation are all up, while unemployment and unemployment insurance claims are down significantly. While there have been challenges, President Biden's bold leadership has continued to meet them, and across all of these metrics, conditions not only improved but exceeded expectations as the United States continues its robust recovery from the pandemic recession.

The economy grew at the fastest rate in nearly 40 years

Gross domestic product (GDP) growth in 2021 is projected to reach 5-6%—the highest annual growth since 1984—after rebounding from a decrease of 3.4% in 2020. The United States remains a leader among its peer countries as one of the only nations whose economy has now surpassed its pre-pandemic peak, and it saw two consecutive quarters [above 6%](#) growth to start the year (6.3% and 6.7%, respectively). This rate of annual growth will surpass both the Federal Reserve's [projection](#) of 4.2% growth and the Congressional Budget Office's [projection](#) of 4.6% growth near the beginning of the year.

Businesses have added over 6 million jobs in 2021, the most in a calendar year under any U.S. president

In the first 11 months under President Biden, businesses added [over 6 million jobs](#), or an average of 565,000 jobs each month—the most in a calendar year by any U.S. president in recorded U.S. history. Over 84% of the jobs lost during the worst of the pandemic have been regained.

Unemployment declined to 3.9% at the end of the year, after the largest calendar year decrease in U.S. history

Unemployment [declined to 3.9%](#) in December 2021—the first time it has fallen below 4% since the pandemic began and down significantly from 6.4% at the beginning of the year—years ahead of earlier projections. Near the beginning of President Biden's term, the Congressional Budget Office estimated that the U.S. would not reach this level [until 2026](#), while the Federal Reserve projected it would not reach this level [until 2023](#). The 2.5-percentage-point decrease in the unemployment rate is the largest calendar year decline in recorded U.S. history.

New unemployment insurance claims fell to their lowest level in more than 50 years at the end of December

In the last full week of 2021, new unemployment insurance claims [averaged about 200,000](#). This is the lowest level since 1969 and is down from 813,000 in the first full week of the year—a

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decline of 75% across the year. The total number of workers receiving continued unemployment benefits also fell from [over 18 million](#) in January 2021 to [just over 1.9 million](#) in December.

Retail sales increased across 2021

Total retail and food services sales increased from \$576.5 billion at the beginning of 2021 to [\\$639.8 billion](#) by the end of the year, equaling an [11% increase](#) over the year. A continued vaccination campaign and unprecedented support provided by the American Rescue Plan have ensured that consumer spending remains robust and American businesses continue to thrive.

A record number of new business applications were filed in 2021

A [record number](#) of people started their own businesses in 2021 with total business applications reaching [5.39 million](#), up significantly from 4.38 million in 2020. New business applications are up across nearly every major industry, and there have been outsized increases in applications among the industries most affected by the pandemic, such as accommodation and food services. [More than 418,000](#) new business applications have been filed every month this year, and more than 1.8 million of these businesses are likely to [hire additional employees](#), spurring broad-based job growth. Business creation has reached unprecedented levels in 2021 despite the pandemic, reversing the stagnation that followed the Great Recession and helping to power the nation's recovery from the COVID-19 recession.

The U.S. Economy Under President Biden	Beginning of 2021	End of 2021
GDP Growth	-3.4%*	5-6%**
Total People Employed	142.7 million	149.0 million
Unemployment Rate	6.4%	3.9%
Average Weekly Unemployment Insurance Claims	813,000 claims	200,000 claims
Total Retail Sales	\$576.5 billion	\$639.8 billion
New Businesses Created	4.38 million***	5.39 million
* Real GDP decreased 3.4% in 2020.		
** Projected		
*** New business applications totaled 4.38 million in 2020.		
Note: Data are the latest available.		